



MINUTES

PCAPCD Board of Directors Meeting

Thursday, June 8, 2017, at 2:30 PM

Placer County Board of Supervisors' Chambers
175 Fulweiler Avenue, Auburn, California

The Board of Directors of the Placer County Air Pollution Control District met for a regular meeting at 2:30 PM, Thursday, June 8, 2017, at the Placer County Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, California.

The meeting was called to order by Chairperson Jim Holmes. Roll call was taken by the Clerk of the Board, with the following members in attendance: Tony Hesch, Robert Black, Jim Holmes, Stan Nader, Robert Weygandt, Greg Janda. A quorum was established.

Representing the District were: Erik White, Air Pollution Control Officer; Todd Nishikawa, Deputy Air Pollution Control Officer; A.J. Nunez, Administrative Services Officer; John Finnell, Permitting and Engineering Section Manager, Russell Moore, I.T. Technician; and Shannon Harroun, Clerk of the Board.

Flag Salute: Led by Chair Jim Holmes

Roll Call / Determination of a Quorum

Present: Tony Hesch, Robert Black, Jim Holmes, Stan Nader, Robert Weygandt, Greg Janda

Absent: Scott Alvord, Daniel Berlant, Jennifer Montgomery

Clerk's Statement of Meeting Procedures

Approval of Minutes: April 13, 2017 Regular Meeting

Motion: Janda/Weygandt

Action: **Approved Unanimously**

Public Comment: None.

Consent: Items 1 - 3

- 1. Advance budget authorization for contracted technical support services from Air Permitting Specialists, Moots Point, and CLERE Inc.** *Adopted Resolution #17-02, thereby authorizing the expenditure of up to a total of One-Hundred Forty Thousand Dollars (\$140,000) for contracted technical support services. This authorization request is in advance of the adoption of the Final FY 2017-2018 District Budget that is scheduled to be heard on August 10, 2017, in order to enable the services to continue uninterrupted after June 30, 2017.*

- 2. Authorize Contract and Accept Funds for Providing Professional Services to All Power Labs under California Energy Commission EPIC Grant.** *Adopted Resolution #17-03, thereby authorizing the Air Pollution Control Officer to negotiate, sign, and amend as necessary, a contract with All Power Labs for the District to provide professional services as a subcontractor under California Energy Commission Electric Program Investment Charge (EPIC) Grant Solicitation #PON-14-303; and authorizing the District to accept funds up to \$78,000 as compensation for these services.*
- 3. Amendment to Placer County Air Pollution Control District Board of Directors' Administrative Rules and Regulations.** *Adopted revisions to the Placer County Air Pollution Control District Board of Directors' Administrative Rules and Regulations as presented. A two-thirds majority vote is required to amend Administrative Rules and Regulations.*

Motion: Janda/Weygandt

Action: **Approved Consent Items 1, 2 and 3 Unanimously**

Action: Items 4 - 5

- 4. Acknowledgment of John W. Finnell's Service to the Placer County Air Pollution Control District.** *Adopted Resolution #17-04, thereby recognizing John W. Finnell's exceptional service to the Placer County Air Pollution Control District since 1995.*

Motion: Nader/Hesch

Action: **Approved Item 4 Unanimously**

- 5. Approve the Award of a Contract to True Point Solutions for the Migration of the District Database to the Accela Platform.** *Adopted Resolution #17-05, thereby approving, in advance of the final District budget for FY 17-18, the allocation of One Hundred Forty-Two Thousand Dollars (\$142,000.00), as shown in the Preliminary FY 17-18 annual budget to be presented to the District Board on June 8, 2017; and authorizing the Air Pollution Control Officer to negotiate, sign, and amend as necessary, a professional Information Technology services agreement with True Point Solutions of Loomis, California, for the migration of the District database to the Accela platform.*

Ms. AJ Nunez presented the background of the proposed contract with TruePoint Solutions for the migration of the District database to the Accela platform. Ms. Nunez recounted that on April 11, 2013, the Board approved the District's IT Strategic Master Plan, recognizing that the effective combination of technology and government will enable the expansion of government services, while at the same time reduce costs and streamline business processes.

Ms. Nunez described the many improvements the District has made to the existing database, in addition to implementing mobile applications, and upgrading the website. Recently, the Placer County Information Technology (IT) Division, in conjunction with the District, completed an entire database system review and discovered some issues that will not allow the existing database to be expanded to achieve the goals of the IT Master Plan. The District has determined that the current version of Accela will allow the District to leverage the work

the District has done and bring all of these elements into the Accela platform, to align with the goals in the Strategic IT Master Plan.

Ms. Nunez conveyed the District's recommendation that TruePoint Solutions complete this work. The proposal provided by True Point Solutions is in accordance with California Multiple Award Schedule (CMAS) and provides the best value and best price of the three options considered by District management. If approved by the Board, the migration project would begin in early August and should be completed by February 2018. Funding for database work is included in the District's FY 2017-18 proposed budget, accounting for the possibility that the EPA grant, which has provided a majority of funding in past years, may no longer be available.

Motion: Weygandt/Hesch

Action: **Approved Item 5 Unanimously**

Public Hearing / NoAction: Item 6

- 6. Proposed Preliminary Budget FY 2017-18.** *Conducted a Public Hearing in accordance with the Health and Safety Code §40131(3)(A) that states: "The district shall notice and hold a public hearing for the exclusive purpose of reviewing its budget and of providing the public with the opportunity to comment upon the proposed district budget." District management also requested guidance from the Board regarding any changes to this Proposed Preliminary Budget for FY 2017-18 for inclusion in the Final Proposed Budget, which will be presented to the District Board for adoption on August 10, 2017.*

Ms. AJ Nunez presented the FY 2017-18 Proposed Preliminary Budget for the public hearing, and stated that the District continues to budget revenues conservatively, and budgets expenditures that are adequate to cover cost, with a small amount for contingencies. Historically the District ends each Fiscal Year above revenue projections and below proposed expenditures. This creates the fund balance that provides seed money for the upcoming year.

Ms. Nunez explained that the District budget is organized into the Operations Fund, which has four sub-funds, the Department of Motor Vehicles (DMV) fund, mitigation fund, black carbon research fund, and the wildfire mitigation fund. Together these five funds make up the consolidated funds for the District's budget. The settlement fund and the litigation cost recovery fund that total \$1,681,000 are not shown in the budget, and are classified as unassigned extraordinary funds by the County Auditor-Controller. These funds can only be used at the discretion of your Board. The interest from these two funds is included in the District's budget.

Ms. Nunez reported that the Proposed Preliminary Budget for FY 17-18 of \$4.5 million is similar to the approved budget for FY 16-17, with a 1% decrease. The total projected revenue of \$3.4 million, combined with the projected fund carry-over of just over \$1 million, provides the \$4.5 million in projected funds available. Proposed expenditures of \$4.1 million, combined with the fund balance carry-over at the end of FY 17-18, comes to the \$4.5 million.

Ms. Nunez stated that an ending fund balance over \$1 million is projected to be carried over to begin FY 17-18. The Operations Fund carry-over portion of that amount is \$443,000, 10% of the District's budget. The National Advisory Council on State and Local Budgeting recommends an Operations Fund carry-over of between 5 to 15% of the budget; the District is within that healthy range. The anticipated Operations Fund ending balance at the end of FY 17-18 is \$325,000 and will provide the seed money for FY 18-19.

In order to finalize the budget numbers for FY 17-18, the actual versus projected ending fund balance will be determined for FY 16-17, which closes on June 30th. Then the District will bring the Final Proposed Budget back to the Board on August 10, 2017.

Public Comment: Mr. Jerry Rio from Dutch Flat, a subcontractor for Placer County Resource Conservation District, made comments regarding several topics. He requested the District look into the alternatives to burning, noting the large amount of dead trees in Placer County. He noted that there are a lot of people burning large diameter trees because of the lack of a market, and the distance and expense to transport. He would like a green waste bin program to be subsidized. He believes it would be a good investment for air quality. He also suggested instituting another burn day region, for example, above Colfax and below Cisco Grove, where the weather is different. In addition, Mr. Rio asked for support for the Office of Emergency Services when transfer stations are identified for the dead and dying trees, and that the District help facilitate the permit process to get that accomplished as soon as possible.

Mr. Erik White responded that the District has worked extensively on alternatives to burning, including participation in the chipping program. This is subject to availability of funds, but the District is considering expanding the role of incentives beyond what is in the Clean Air Grant program. Regarding burn days, Mr. White noted that determinations are made separately for Eastern and Western Placer County (East and West of Cisco Grove). He cited the challenges of having separate communities that are adjacent to each other having differing burn day statuses, and acknowledged the challenges of having different climatology in the different areas. With regards to the transfer stations, he assured that the District is working closely with the County's Tree Mortality Task Force as the County looks for landing sites for dead and dying trees, to assure there are no permitting or siting issues from an air quality perspective.

No Action – Public Hearing Only.

Information: Item 7

- 7. Stabilization of District Finances.** *No action requested. This was an information item for District management to advise the Board of current and future expenditure and revenue trends and to seek Board direction with regard to options for providing long-term stabilization to the District's finances.*

Mr. Erik White described District management's recent efforts at closely examining the District's finances, in order to ensure long-term stabilization. This has led to the conclusion

that expenditures, driven by personnel costs, are expected to outpace revenues in the next five years, and that the District must plan now to address this. The District is exploring further opportunities to streamline operations, as well as potential opportunities to enhance revenues. District management believe it is necessary to plan for potential revenue shortfalls and economic uncertainty over the next five years, with the goals of maintaining current levels of service, supporting existing programs, improving cost recovery, enhancing annual carryover “reserves”, and expanding incentive funding opportunities.

Mr. White outlined areas recommended for further evaluation, including stationary source permit fees, re-evaluation of utilizing Moyer Program funds in-house, advocating for additional State funds to support operations, subvention proposal of double funding to local districts, and continuing to pursue cooperative grants with outside stakeholders. In addition, the District will continue to evaluate District organization and staffing needs, implementing the new IT database, and modernizing its vehicle fleet for fuel efficiency.

Mr. White conveyed District management’s request for Board direction on exploration of budget stabilization opportunities, including engagement of the public and regulated sources to seek input and solutions.

Director Weygandt, Director Hesch and Director Holmes expressed support for the plans set forth by Mr. White and District management. Director Weygandt suggested analyzing spending in terms of impact on air pollution emissions reductions.

No Action – Information Only Item.

Air Pollution Control Officer Report

A. Report on Cap-to-Cap Air Quality Team Activities

Mr. White provided the Cap-to-Cap 2017 Air Quality Team Debrief document and summarized the key air quality issues discussed at the Cap-to-Cap conference in Washington, D.C. in late April, which included federal program funding to state and local agencies, biomass and forest health, and meetings with the U.S. Forest Service, U.S. Senate staff, and congressional aids.

B. NACAA Conference Briefing

The National Association of Clean Air Agencies also held a conference in Washington, D.C. during the same time period as Cap-to-Cap. Mr. White described NACAA meetings attended with senior Environmental Protection Agency staff and the U.S. Senate Committee on Environment and Public Works.

C. CAPCOA Spring Conference Briefing

The California Air Pollution Control Officers Association’s spring membership conference took place in May. Mr. White recounted discussions regarding pending climate and air quality legislation, forest and smoke management, organics planning, and a meeting with California Air Resources Board and U.S. EPA Region IX representatives.

D. Fiscal Update

Ms. Nunez reported that the District's expenditures are below budget by 29.93% and revenues are above budget by 27.17%. The District has received 106% of projected budget revenues and expended 58% of projected budget expenditures.

E. Clean Air Excellence Award for Jurisdictions' Issuance

Mr. White introduced a new plan to recognize local businesses, individuals and organizations which take proactive steps to improve air quality in their communities. These honorary award certificates will be issued on behalf of the District Board and the associated local jurisdictions.

Meeting Adjournment: 3:35 PM

Minutes prepared by:



Shannon Harroun, Clerk of the Board

Minutes approved by Board of Directors:

Attest: 
Clerk of the Board

August 10, 2017

Date